# GOVERNMENT OF INDIA
# COMMERCE AND INDUSTRY
# LOK SABHA

STARRED QUESTION NO:75
ANSWERED ON:22.11.2002
TRADE WITH SAARC COUNTRIES
AKHILESH SINGH;BHAL CHANDRA YADAV

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a)the percentage of increase in the Indian trade with SAARC countries during the financial year 2001-2002 as compared to 2000-2001;

(b) the member countries of SAARC to which maximum exports have been made alongwith the value of total exports in terms of Dollar during the last financial year; (

(c) the items which topped the list; (

(d) whether the Government are contemplating any action plan to boost the trade with SAARC countries; and (

(e) if so, the details thereof?

## Answer

MINISTER OF COMMERCE AND INDUSTRY ( SHRI ARUN SHOURIE )

(a ) to ( e ) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 75 FOR ANSWER ON 22ND NOVE 2002 REGARDING TRADE WITH SAARC COUNTRIES.

(a) India`s trade with SAARC (South Asian Association for Regional Cooperation) countries registered increase of 10.76% in 2001-2002 compared to 2000-01.

(b) Of all the member countries of SAARC, maximum exports took place to Bangladesh. These were valued at US $ 942 million in 2001-2002. India`s exports to Sri Lanka during 2001-2002 occupied the second place at US $ 629 million. India`s exports to Nepal and Pakistan during 2001-2002 were US $ 214 million and US $ 144 million respectively.

(c) Details of exports and imports in 2001-02, item wise and country-wise of the five major items are at Annexe-I

(d) & (e) Over the recent years, Government have taken several steps to boost India`s trade with SAARC countries. The India-Sri Lanka Free Trade Agreement which came into force from March 2000 is a major step in the direction. Further, India has been exchanging tariff concessions with other SAARC countries under four rounds of SAPTA (SAARC Preferential Trading Arrangement) negotiations. The fourth and the last round was held in October-November 2002 in Kathmandu. Efforts are also being made towards a SAARC Free Trade Area (SAFTA) as a culmination of the SAPTA process. India has provided a unique preferential duty free access to Nepalese goods provided they fulfil certain criteria mutually agreed by both sides in the bilateral Indo-Nepal Trade Treaty last renewed with effect from 6th March, 2002 for a period of five years. A similar preferential trading arrangement exists with Bhutan. Bilateral trade between India and Nepal and India and Bhutan is conducted in Indian currency while it is on the basis of convertible currency with the remaining SAARC countries.

Efforts are also being made to harmonize standards and measurements of export products manufactured in the region to promote and protect intra-regional investments, to avoid of double taxation and to harmonize customs procedures and regulations. Trade fairs are organized by the SAARC member countries to show case the trade potential of the member countries. The last SAARC trade fair was held in Kathmandu in October 2002. Steps are also being taken to improve the infrastructure facilities and the land customs stations on the borders, especially with Bangladesh and Nepal. To facilitate movement of officials handling trade matters and the trading community within the SAARC region, the SAARC VISA Exemption Scheme has been in operation. The Scheme incorporates an agreed list of entitled persons who are issued the SAARC VISA in their respective countries of citizenship.

ANNEXE-I

STATEMENT REFERRED TO IN REPLY TO PART (C) OF THE LOK SABHA STARRED QUESTION NO. 75 FOR ANSWE
22ND NOVEMBER, 2002 REGARDING TRADE WITH SAARC COUNTRIES

DETAILS OF TOP EXPORTS AND IMPORTS FROM INDIA TO SAARC COUNTRIES DURING 2001-2002

(Value in US$ Million)

| Country | 2001-2002 EXPORTS | Value | %Share | 2001-2002 TOP 5 imports | Value | %Share |
|---|---|---|---|---|---|---|
| Bangladesh | 1 Cotton yarn fabrics made-ups etc. | 144.67 | 15.35 | 1 Jute, Raw | 18.41 | 31.15 |
| | 2 Wheat | 85.98 | 9.12 | 2 Inorganic Chemicals | 15.05 | 25.45 |
| | 3 Transport equipments | 73.99 | 7.85 | 3 Madeup Textile articles | 9.48 | 16.04 |
| | 4 Machinery & instruments | 71.81 | 7.62 | 4 Other commodities | 4.69 | 7.94 |
| | 5 Coal | 39.66 | 4.21 | 5 Other Textile yarn, Fabrics,Madeup articles | 3.18 | 5.37 |
| Sri Lanka | 1 Cotton yarn fabric, madeup etc | 69.51 | 11.05 | 1 spices | 26.00 | 38.57 |
| | 2 Sugar | 62.73 | 9.97 | 2 Other Commodities | 11.03 | 16.36 |
| | 3 Transport equipments | 49.32 | 7.84 | 3 Non-Ferrous Metal | 5.31 | 7.87 |
| | 4 Machinery and instruments | 41.08 | 6.53 | 4 Metalifers ores & metal scrap | 4.84 | 7.19 |
| | 5 Glass / Glassware / Ceramics / Refractories / Cement | 36.85 | 5.86 | 5 Organic chemicals | 3.48 | 5.16 |
| Nepal | 1 Transport Equipment | 48.00 | 22.40 | 1 Other Commodities | 146.63 | 41.17 |
| | 2 Drugs, Pharmaceuticals & Fine chemicals | 31.64 | 14.77 | 2 Non Ferrous Metals | 48.33 | 13.57 |
| | 3 Machinery and Instruments | 18.79 | 8.77 | 3 Essential oil and cosmetic Preparations | 44.69 | 12.55 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 4 paper / wood products | 8.29 | 3.87 | 4 | Man-made filament / spun yarn (Including worsted and spun ) | 32.28 | 9.06 |
| | 5 Glass/Glassware/Ceramics/ Refractories / Cement | 6.89 | 3.22 | 5 | Iron and Steel | 12.50 | 3.51 |
| Pakistan | 1 Sugar | 42.75 | 29.75 | 1 | Fruits and Nuts Excl Cashew Nuts | 26.63 | 41.13 |
| | 2 Plastic Linoleum Products | 22.12 | 15.39 | 2 | Other Commodities | 10.47 | 16.17 |
| | 3 Drugs, Pharmaceuticals & Fine chemicals | 18.32 | 12.75 | 3 | Sugar | 6.77 | 10.45 |
| | 4. Rubber Manufactured Products except footwear | 8.08 | 5.62 | 4 | Pulses | 6.71 | 10.36 |
| | 5 Dyes / Intermediates and Coal Tar Chemicals | 79.36 | 5.12 | 5 | Spices | 5.23 | 8.08 |
| Bhutan | 1 Rice Other than Basmati | 1.03 | 17.06 | 1 | Inorganic chemicals | 10.39 | 43.43 |
| | 2 Transport Equipment | 0.97 | 12.73 | 2 | Primary Steel Pig iron based items | 8.49 | 35.49 |
| | 3 Spirit & Beverages | 0.88 | 11.57 | 3 | Wood and wood products | 2.89 | 12.10 |
| | 4 Manufacture of Metals | 0.73 | 9.64 | 4 | Other commodities | 0.75 | 3.15 |
| | 5 Machinery and Equipments | 0.69 | 9.03 | 5 | Other crude minerals | 0.37 | 1.53 |
| Maldives | 1 Machinery and instruments | 2.62 | 9.72 | 1 | | | |
| | 2 Rice other than basmati | 2.33 | 8.66 | 2 | | | |
| | 3 Other ore and minerals | 2.29 | 8.51 | 3 | | | |
| | 4 Drug pharmaceuticals and fine chemicals | 1.95 | 7.24 | 4 | | | |
| | 5 Sugar | 1.63 | 6.05 | 5 | | | |